SAP for Public Sector

The e-procurement capabilities of the SAP for Public Sector solution portfolio provide a fully integrated, comprehensive solution for Internet-based electronic procurement – enabling public organizations to streamline processes, reduce costs, spotlight spending patterns, and more effectively negotiate and collaborate with suppliers. Supporting the reengineering of today's public sector organizations through improved processes and automated workflows, SAP for Public Sector helps you find new value and procure new efficiencies throughout the purchasing life cycle.

E-PROCUREMENT WITH SAP FOR PUBLIC SECTOR

PROCURING NEW EFFICIENCIES

Decades-old, paper-based purchasing processes. Painfully high procurement costs. Increasing citizen demand for fiscal accountability and tax relief. And no effective mechanism for analyzing or controlling procurement activities across agencies. Public sector organizations desperately need to modernize their purchasing operations, streamline processes, and cut costs. But how?

Legacy systems are insufficient to handle these unprecedented challenges. Organizations need solutions that can eliminate the inefficiencies of traditional procurement processes, find new sources of value, and slash procurement expenses. Technology that integrates the entire procurement process into the overall funds management structure, providing transparency throughout all procurement processes. Systems that take full advantage of the purchasing power of public sector organizations, meeting the challenges of increased competition and global markets.

The choice for public sector administrations is clear: the e-procurement capabilities in SAP for Public Sector.

The SAP for Public Sector solution portfolio provides a comprehensive, end-to-end solution for both ad hoc and strategic procurement. The e-procurement capabilities of SAP for Public Sector support electronic buying and requisitioning and automate business transactions over the Internet. With SAP for Public Sector, you gain a strategic e-government framework along with a highly transparent, streamlined, and integrated purchasing process that can increase your procurement efficiencies, spotlight new sources of value, and enhance decision making about suppliers, products, and contracts.

SAP

Combining more than 20 years of public sector experience with the boundless potential of the Internet, SAP understands how to modernize your procurement operations. It's the power of integrated solutions – procuring new efficiencies throughout your organization.

Powerful Solutions that Boost Purchasing Efficiency
The e-procurement capabilities in SAP for Public Sector provide the only complete and integrated solution with end-to-end support for all purchasing activities in the public sector. The e-procurement functions in SAP for Public Sector significantly increase your purchasing efficiency by lowering costs, revealing new sources of value, and enabling you to meet the challenges of increased competition and globalization. More than 1,200 organizations around the world are already receiving the vast benefits of the SAP® e-procurement solution, and now you can easily reap e-procurement benefits as you work with SAP for Public Sector.

You can procure both direct and indirect goods using the same e-procurement solution. Automated purchase-order generation replenishes inventory through integration with warehouse and inventory systems. The open design allows integration with critical back-office systems, including both SAP and non-SAP solutions. And mobile access to all data and applications is available through devices such as palmtop computers, personal digital assistants (PDAs), and laptops.

Key processes for e-procurement with SAP for Public Sector include:

- **Self-service procurement** enables employee self-service using online shopping carts and mobile devices; procurement of operational and strategic maintenance, repair, and overhaul (MRO) materials and services through catalogs; processing support of plant maintenance orders; and execution support of component planning for projects.
- **Plan-driven procurement** empowers the professional procurement of commodities and custom-designed and configured materials, and it integrates with warehouse and logistics systems.
- **Content management** delivers comprehensive information on all forms of marketing, educational, or promotional activities. You can import catalog data from external sources (including suppliers, content providers, and electronic marketplaces) and can map, stage, and transfer data. In addition, the open content strategy allows you to access content from any source, including internal, external, mediated, or marketplace-hosted sources.
- **Centralized contract management** supports global purchasing activities, helping you manage strategic suppliers across geographic entities (such as counties or cities) or organizational strata (such as departments or groups). You can use bidding and reverse auctions to drive down costs on commodity items.
- **Purchasing analytics** provides extensive reporting capabilities to allow purchasers and managers to perform both operational and strategic analyses. By monitoring vendors and fund-center trends, allowing analysis of contracts, and providing comparisons among vendors for specific items and prices, these functions help you negotiate more effectively and collaborate with suppliers as well as make timely adjustments based on buying behaviors.

Unparalleled Value in a Complete Purchasing Solution
With two decades of public sector expertise, only SAP is qualified to deliver the strategic technology you need. By accelerating the procurement process, reducing the cost of goods procured and the cost per purchasing transaction, and enhancing process efficiencies through tighter control over operations, SAP for Public Sector delivers the complete purchasing solution your organization needs to procure with new efficiencies.

E-procurement with SAP for Public Sector offers unmatched benefits for today's public organizations:

- **Budget transparency** – Because of integration among procurement and back-office applications such as budget execution, you can earmark funds for specific purchases. When your buyer makes a purchase, the system checks the budget to ensure that funds are available for this item – preventing budget overruns – and updates the budget with the new expenditure.
- **Role-based approval and release** – You can tie procurement-related approvals and releases to organizational roles and automate the review and sign-off processes. The process considers all required legal provisions and administrative regulations. You can accelerate approvals and releases using integration-specific workflow processes.
- **Decreased errors, increased savings** – In addition to generating savings with the basic e-procurement functionality, you can use the materials management functionality of SAP for Public Sector to reduce purchasing costs. Vendor evaluation and selection, outline agreements, and price comparisons, for example, can be standardized using foundation documents and processes – reducing workload, decreasing errors, and improving data consistency.

- **Invoicing efficiencies** – The software automatically verifies the content, calculations, and prices of incoming invoices, and it checks the availability of funds earmarked for the purchase before posting the transaction. Once posted, the invoice updates budget execution information, creates a transaction against the general ledger, and writes an open item in the accounts payable subledger. If the invoice does not exceed budget tolerances, it is paid and settled, creating substantial efficiencies in the end-to-end invoicing process. Invoices with variances are locked for department review.
- **Information flow** – Integrated e-procurement makes it easy to find or track information about any purchase at any time. And because information flows from the procurement transactions to other systems, you can easily and cost-effectively monitor and extract information about orders, goods receipts, invoices, and vendor information such as price history, quantity, reliability, compliance, and quality.
- **Reduced transaction costs** – By automating previously manual procurement tasks – such as creating and approving purchase orders, generating invoices, and processing payments – you significantly reduce the cost of each transaction. The easy-to-use Web interface means that users require no special training, so your organization can begin generating savings without incurring additional expenses for training.

THE ANSWER IS HERE. TAKE THE NEXT STEP.
The e-procurement capabilities in SAP for Public Sector provide the only complete, integrated solution that can streamline public sector procurement operations, delivering value to government and citizens alike. Contact SAP to find out more about the powerful solutions you need to achieve new efficiencies. For more information, visit our Web site at **www.sap.com/publicsector**.

www.sap.com/contactsap

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